

**REGULAR MEETING
GREATER ASHEVILLE REGIONAL AIRPORT AUTHORITY
March 14, 2025**

The Greater Asheville Regional Airport Authority ("Authority") met on Friday, March 14, 2025 at 8:30 a.m. in Council Chambers at the Fletcher Town Hall, 300 Old Cane Creek Road, Fletcher, NC 28732.

MEMBERS PRESENT: Brad Galbraith, Chair; Britt Lovin, Vice-Chair; Susan Russo Klein; Nathan Kennedy; and Gene O. Bell

MEMBERS ABSENT: Carl H. Ricker, Jr.; Laura B. Leatherwood

STAFF AND LEGAL COUNSEL PRESENT: Sabrina Presnell Rockoff, Authority Legal Counsel; Lew Bleiweis, President & CEO ("president"); Lexie Farmer, Chief Operations Officer; Tina Kinsey, Chief Administrative Officer; Janet Burnette, Chief Financial Officer; Shane Stockman, VP – Information Technology; John Coon, VP – Operations and Maintenance; Christina Madsen, VP – Business Development and Properties; Jared Merrill, VP – Planning; Samuel Sales, Chief of Public Safety; Angela Wagner, VP - Administration and Human Resources; Kyle Montague, IT Systems Technician; Sebastien Feyaerts, IT Systems Technician; and Ellen Heywood, Clerk to the Board

ALSO PRESENT: Amanda Sheridan, McFarland Johnson; Zeke Cooper, DreamCatcher Broadmoor; John Mafera, McFarland Johnson; Josh Evans, J. Evans Construction; James Wornall

CALL TO ORDER: The Chair called the meeting to order at 8:30 a.m.

PRESENTATIONS: None

FINANCIAL REPORT: The president delivered a review of enplanements, aircraft operations, and general aviation activity for the month of January. Janet Burnette reported on the financial activity for the month of January. Mrs. Burnette pointed out that for the year to date while revenue continues to be a little under budget, operating expenses were also quite a bit under budget.

CONSENT ITEMS:

A. Approval of the Greater Asheville Regional Airport Authority February 14, 2025 Regular Meeting Minutes: Mr. Lovin moved to approve the Greater Asheville Regional Airport Authority February 14, 2025 Regular Meeting Minutes. Ms. Russo Klein seconded the motion and it carried unanimously.

OLD BUSINESS: None

NEW BUSINESS:

A. Preliminary Approval of Authority's Amended Ordinance of Airline Rates, Fees and Charges for the Asheville Regional Airport: Janet Burnette stated that in preparing for the FY26 Budget, staff developed a new Schedule of Airline Rates, Fees and Charges for FY25/26. The proposed rates were higher overall, however, at the beginning of March staff met with airline representatives who voiced no concerns with the proposed rates and charges. As required by the ordinance process, a public hearing will be held at the next regular meeting of the Authority Board followed by the Board's adoption of Ordinance No. 201601-11.

Ms. Russo Klein moved to consider and approve the proposed Airline Rates, Fees and Charges; schedule a public hearing and accept public comment on the proposed Airline Rates, Fees and Charges; and following the minimum period for public comment and public hearing, adopt the Airline Rates, Fees and Charges for FY2025/2026 at the next scheduled Authority Board meeting. Mr. Kennedy seconded the motion and it carried unanimously.

B. Approval of Authority's Preliminary Fiscal Year 2025/2026 Budget: Janet Burnette presented the FY2025/2026 Preliminary Budget for Board consideration. Mrs. Burnette stated that revenues continue to exceed operating expenses, and the net operating income is estimated at just over \$12 million. Mrs. Burnette reviewed operating revenues and pointed out that with the new terminal airline terminal rents will increase as will food and beverage revenue. Parking revenue will also increase due to the implementation of higher parking fees. Operating expenses were highlighted with a salary adjustment pool of 5.5% included in the budget as well as an increase in insurance and contractual services. Mrs. Burnette informed the Board that staff was requesting the addition of 5 full-time and 3 part-time personnel, however, funding for only 2 full-time and 2 part-time positions was included in the FY25/26 budget due to budget constraints. The proposed capital budget and capital funding sources were reviewed with a total capital request of \$6.7 million for FY25/26. Mrs. Burnette spoke about the increase to

the Operations & Maintenance Reserve fund planned in the FY25/26 budget, summarized the cash balance, and briefly covered the changes to the supplemental fees schedule.

Following a brief explanation from staff to a question raised regarding the emergency repair reserve, the Board expressed appreciation to staff for their work on the budget and the difficult task of making cuts, as well as for the increases made to the reserve funds.

Ms. Russo Klein moved to approve the Proposed Preliminary Fiscal Year 2025/2026 Budget and accept public comment on the Proposed Fiscal Year 2025/2026 Budget during the next 10 days. Mr. Bell seconded the motion and it carried unanimously.

C. Approval of Contract to Maintain Baggage Handling System and Passenger Boarding Bridges: John Coon reported that a Request for Proposals was issued for the maintenance of the five new passenger boarding bridges for the new North Concourse and the baggage handling system. A selection committee was formed and from the six companies that submitted proposals, the committee recommended ERM for the maintenance of the passenger boarding bridges and baggage handling system. The total cost for a five-year contract will be \$6,318,626.54 with the first-year total at \$1,195,638.24. The contract may be terminated with written notice and will be paid annually using airport funds.

A question was asked regarding work performed during a warranty period and Mr. Coon responded that any parts and labor required to repair the equipment would be reimbursed under the warranty. A plan is in place to purchase a supply of spare parts from a recommended list and store in a designated storage area.

Mr. Lovin moved to approve the 5-year contract with ERM for the maintenance of the baggage handling system and the passenger boarding bridges in the amount of \$6,318,626.54 and authorize the President & CEO to execute the necessary documents. Mr. Kennedy seconded the motion and it carried unanimously.

D. Approval of Scope of Services No. 2 with McFarland Johnson, Inc. for the New Parking Garage Design and Construction Administration Services: Jared Merrill stated that due to continued lack of available public parking spaces, staff has worked with McFarland Johnson to prepare a scope of services for the design and bidding phase services for a new parking garage, roadway improvements, and design of improvements to the daily lot south of the existing garage. Mr. Merrill further stated that there will be a two-year design process and that the total cost for Scope of Services No. 2 for the design and construction administration services was \$4,964,318.00. Airport funds will be used to pay for the services and will require the following budget ordinance amendment:

BE IT ORDAINED by the Greater Asheville Regional Airport Authority that the following amendment be made to the annual budget ordinance for the fiscal year ending June 30, 2025:

Section 1. To amend the appropriations as follows:

EXPENDITURES:

	<u>Decrease</u>	<u>Increase</u>
Capital Improvements		\$4,964,318.00
Totals		\$4,964,318.00

This will result in a net increase of \$4,964,318.00 in appropriations. Revenues will be revised as follows:

REVENUES:

	<u>Decrease</u>	<u>Increase</u>
Transfer from GARAA Cash		\$4,964,318.00
Totals	<hr/>	<hr/> \$4,964,318.00

Section 2. Copies of this budget amendment shall be furnished to the Clerk to the Greater Asheville Regional Airport Authority, and to the Budget Officer and to the Finance Officer for their direction.

Adopted this 14th day of March 2025.

Brad Galbraith, Chair

Attested by:

Ellen Heywood, Clerk to the Board

Ms. Russo Klein moved to approve the Scope of Services No. 2 with McFarland Johnson, Inc. in the amount of \$4,964,318.00; authorize the President & CEO to execute the necessary documents; and amend the FY2024/2025 budget by adopting the budget ordinance amendment as presented by staff. Mr. Lovin seconded the motion and it carried unanimously.

Jared Merrill requested Board approval of Amendment 2G to the design contract with Gresham Smith for owner requested changes to the contract for the Terminal Modernization and Expansion project. The changes included additional restrooms in ticket lobby, new aircraft parking layout, addition of concession space, modifications to temporary offices, and re-design of loading area. Mr. Merrill advised the Board that the cost for the design work was \$230,000.00, was not planned in the original scope of services, and will therefore require the following budget ordinance amendment:

Section 1. To amend the appropriations as follows:

	<u>Decrease</u>	<u>Increase</u>
Capital Improvements		\$230,000.00
Totals		\$230,000.00

REVENUES:

	<u>Decrease</u>	<u>Increase</u>
Transfer from GARAA Cash		\$230,000.00
Totals	<hr/>	<hr/> \$230,000.00

Adopted this 14th day of March, 2025.

Attested by:

Ellen Heywood, Clerk to Board

Mr. Lovin moved to approve Amendment 2G to the design contract with Gresham Smith in the amount of \$230,000.00; authorize the President & CEO to execute the necessary documents; and amend the FY2024/2025 budget by adopting the budget ordinance amendment as presented by staff. Mr. Kennedy seconded the motion and it carried unanimously.

F. Approval of Contract with Facility Planners, Inc. for a Portion of the Furniture in the New Terminal Building: Jared Merrill reported that with the new North Concourse due to open in June, a Request for Proposals for terminal furniture was issued in September, 2024. Of the eight proposals received, two companies were chosen to provide furniture for the new terminal building. Mr. Merrill reminded the Board that a contract with Arconas, Inc. was approved in December for the tandem seating in the terminal, outdoor benches, and waste receptacles. For the remaining supplemental furniture, including tables, chairs, stools and bench seating, staff recommended Facility Planners, Inc. The cost for the supplemental furniture was \$1,876,731.75 and will be paid using airport funds.

Mr. Merrill was asked if the contract included furniture for the South Concourse to which he responded that the contract did include furniture for Phase 2 of the terminal project and that Facility Planners would store the furniture until the airport was ready to install.

Ms. Russo Klein moved to approve the Contract with Facility Planners, Inc. for the supplemental furniture in the amount of \$1,876,731.75 and authorize the President & CEO to execute the necessary documents. Mr. Lovin seconded the motion and it carried unanimously.

G. Approval of Contract for the Phase 1 Hangar Demolition for the Remain Overnight Parking Apron Project: Jared Merrill reminded the Board that a contract with McFarland Johnson was approved in November, 2024, for the design of additional remain overnight ("RON") aircraft parking positions. Mr. Merrill advised the Board that it has been determined that demolition of the existing hangars in this area would allow for aircraft parking through the upcoming busy summer and fall months while the design process is underway. Staff has been working with contractors to obtain pricing to demolish three hangars and modify the necessary fencing to keep the area secure. One quote has been received, and two other contractors were expected to submit quotes. Mr. Merrill advised the Board that the one quote received was within the budget established for the demolition work. To meet the demands for additional RON parking by June, the Board was asked to consider approving an award of a contract for the demolition of the hangars and modification of the fencing in a not to exceed amount of \$170,000.00. The work would be paid for using airport funds and would require the following budget ordinance amendment:

BE IT ORDAINED by the Greater Asheville Regional Airport Authority that the following amendment be made to the annual budget ordinance for the fiscal year ending June 30, 2025:

Section 1. To amend the appropriations as follows:

EXPENDITURES:

	<u>Decrease</u>	<u>Increase</u>
Capital Improvements	<hr/>	<u>\$170,000</u>
Totals	<hr/>	<u>\$170,000</u>

This will result in a net increase of \$170,000 in the appropriations. Revenues will be revised as follows:

REVENUES:

	<u>Decrease</u>	<u>Increase</u>
Transfer from GARAA Cash	<hr/>	<u>\$170,000</u>
Totals	<hr/>	<u>\$170,000</u>

Section 2. Copies of this budget amendment shall be furnished to the Clerk to the Greater Asheville Regional Airport Authority, and to the Budget Officer and to the Finance Officer for their direction.

Adopted this 14th day of March 2025.

Brad Galbraith, Chair

Attested by:

Ellen Heywood, Clerk to the Board

Mr. Lovin moved to approve a contract for the demolition of the hangars for the RON Parking Apron Project in the amount not to exceed \$170,000; authorize the President & CEO to execute the necessary documents; and amend the FY2024/2025 budget by adopting the budget ordinance amendment presented by staff. Mr. Kennedy seconded the motion and it carried unanimously.

H. Approval to Terminate the Ground Lease and Agreement between DreamCatcher Broadmoor NC, LLC and the Greater Asheville Regional Airport Authority Entered into on August 14, 2021, and Replace the Terminated Agreement with Two New Agreements:

Christina Madsen thanked Zeke Cooper with DreamCatcher Broadmoor for attending the meeting. Mrs. Madsen stated that due to the restructuring of his financial partners for the development of the hotel, Mr. Cooper has requested the Authority separate the existing Ground Lease and Agreement between DreamCatcher Broadmoor and the Authority and replace it with two separate agreements.

Mrs. Madsen reviewed the proposed modifications to the Agreement and Lease for the Hotel and Conference Center which included a change to the name from DreamCatcher Broadmoor LLC. to DreamCatcher Asheville, LLC., and a reduction of \$2,832 per month in ground rent due to decreasing the leasehold from six acres to 4 acres. DreamCatcher Asheville will have 30 months to complete construction of the hotel and conference center and will pay a penalty fee if hotel construction has not commenced within seven months of the effective date of the lease. Mrs. Madsen further stated that all other provisions in the original lease for the hotel and conference center development will remain in the new agreement.

Mrs. Madsen advised the Board that the golf course was a complete loss due to Hurricane Helene. DreamCatcher Broadmoor LLC. wishes to continue to lease and manage the golf course and plans to restore the golf course, clubhouse and maintenance building. However, as part of the new Golf Course Lease and Agreement, renovations to the golf course, clubhouse and maintenance building will be required to be completed and open by May 1, 2026. The Authority will grant up to 14 months of rent credit following opening and completion of the improvements and monthly rent will continue to be paid by DreamCatcher Broadmoor. Further, the Authority will no longer be responsible for relocating hole no. 10 as the course will be redesigned to keep golf holes no. 10 and no. 11. DreamCatcher will be responsible for relocating the driving range and the Authority will continue to have the right to redevelop the area where the driving range is currently located, identified as Parcel A. Parcel B which is adjacent to the maintenance facility has been identified as an area for potential development. Mrs. Madsen informed the Board that DreamCatcher Broadmoor would have the right to add additional amenities on Parcel B and has until June 30, 2030 to do so.

Mrs. Madsen reviewed the details of the financial terms for both the Agreement and Lease for the Hotel and Conference Center and for the Golf Course Lease and Agreement.

Discussions took place regarding insurance coverage on the golf course, guarantees for development of the hotel, benchmarks for performance standards for the hotel and performance metrics for the golf course, and investor commitments for development of the hotel.

Mr. Lovin moved to approve terminating the Ground Lease and Agreement entered into on August 14, 2021 and replacing it with two separate Agreements, one for the restoration, operation and management of the 18-hole golf course with DreamCatcher Broadmoor, LLC., and one for the 4-Diamond AAA rated Hotel and Conference Center development and management with DreamCatcher Asheville, LLC.; authorize the President & CEO to execute the necessary documents; and amend the FY2024/2025 budget by adopting the following budget ordinance amendment. Mr. Bell seconded the motion and it carried unanimously:

BE IT ORDAINED by the Greater Asheville Regional Airport Authority that the following amendment be made to the annual budget ordinance for the fiscal year ending June 30, 2025:

Section 1. To amend the appropriations as follows:

EXPENDITURES:

	<u>Decrease</u>	<u>Increase</u>
Transfer to GARAA Cash	\$10,047.23	
Totals	<u>\$10,047.23</u>	<u></u>

This will result in a net decrease of \$10,047.23 in the appropriations. Revenues will be revised as follows:

REVENUES:

	<u>Decrease</u>	<u>Increase</u>
Land Leases	\$10,047.23	
Totals	<u>\$10,047.23</u>	<u></u>

Section 2. Copies of this budget amendment shall be furnished to the Clerk to the Greater Asheville Regional Airport Authority, and to the Budget Officer and to the Finance Officer for their direction.

Adopted this 14th day of March 2025.

Brad Galbraith, Chair

Attested by:

Ellen Heywood, Clerk to the Board

The Chair stated that due to a sensitive timeline for a discussion, the Board would go into Closed Session at this time.

CLOSED SESSION: At 9:40 a.m. Mr. Lovin moved that the Greater Asheville Regional Airport Authority go into closed session at this time pursuant to North Carolina General Statute 143-318.11 (a) subsections (4) and (5): to discuss matters relating to the location or expansion of industries or other businesses in the area served by the Authority and to establish or instruct the Authority's staff or negotiating agents concerning the position to be taken by or on behalf of the Authority in negotiating the price and other material terms of a contract or proposed contract for the acquisition of real property by purchase, option, exchange or lease. Mr. Kennedy seconded the motion and it carried unanimously.

Open Session resumed at 10:00 a.m.

GREATER ASHEVILLE REGIONAL AIRPORT AUTHORITY MARCH 14, 2025

CLOSED SESSION MINUTES: Mr. Lovin moved to seal the minutes for the Closed Session just completed and to withhold such Closed Session minutes from public inspection so long as public inspection would frustrate the purpose or purposes thereof. Mr. Bell seconded the motion and it carried by a 4 to 0 vote.

Ms. Russo Klein returned to the meeting at 10:01 a.m.

PRESIDENT'S REPORT: The president remarked that he had additional items to address that were not included on the agenda.

A. Runway 5k Date: With much work needed to be done for the opening of the new North Concourse, staff has decided to move the Runway 5k to October 11th rather than the originally planned date of August 9th.

B. Federal Worker Update: The president stated that with recent federal worker lay-offs, air traffic controllers and TSA security officers were considered critical workers and these positions have not been impacted by the recent changes in the federal government. There has been some impact with the administration of the FAA which could lead to delays in grant funding.

C. North Concourse Opening Event: An opening reception for the new North Concourse will be held on June 20th. More information will be sent out in the near future.

D. Sheetz Construction: Sheetz has received all of the necessary permits and will start mobilizing to begin construction in April.

E. Helene Video: The president reported that a lot of videos were taken by the staff from Charlotte Douglas International Airport when helping with Helene recovery operations. Authority staff worked with a local person to put the videos together and the

complete video has been included in the 2024 Annual Report via a QR code. Board members viewed the video and received a copy of the 2024 Annual Report.

AUTHORITY MEMBER REPORTS: The Chair stated that the Board wished to re-appoint Britt Lovin for another term as the At-Large member of the Board. Ms. Russo Klein moved to re-appoint Britt Lovin for the At-Large position on the Greater Asheville Regional Airport Authority Board for a four-year term to begin on July 1, 2025. Mr. Kennedy seconded the motion and it carried unanimously.

INFORMATION SECTION: No comments

PUBLIC AND TENANTS COMMENTS: The Chair stated that a member of the public had requested to speak and invited Josh Evans to address the Board. Mr. Evans appeared before the Board to inquire about the process for requesting an easement on airport property for a sewer line connection for a house being constructed by a client. The Chair stated that staff would consider the request and respond to Mr. Evans in the near future.

CALL FOR NEXT MEETING: The Chair stated that the next regular meeting of the Board will be held on April 11, 2025 at Council Chambers, Fletcher Town Hall.

CLOSED SESSION: At 10:18 a.m. Mr. Lovin moved that the Greater Asheville Regional Airport Authority go into closed session at this time pursuant to North Carolina General Statute 143-318.11 (a) subsection (6): to consider the qualifications, competence, performance, character, fitness and conditions of appointment of an individual, public officer, or employee or prospective public officer or employee. Mr. Kennedy seconded the motion and it carried unanimously.

Open Session resumed at 11:03 a.m.

GREATER ASHEVILLE REGIONAL AIRPORT AUTHORITY MARCH 14, 2025

CLOSED SESSION MINUTES: Mr. Lovin moved to seal the minutes for the Closed Session just completed and to withhold such Closed Session minutes from public inspection so long as public inspection would frustrate the purpose or purposes thereof. Mr. Bell seconded the motion and it carried unanimously.

The Chair remarked that the Board had requested the president work with staff to prepare a report showing a comparison of the Authority's employee compensation with the current market to ensure wages remained competitive. The president stated that a report would be prepared.

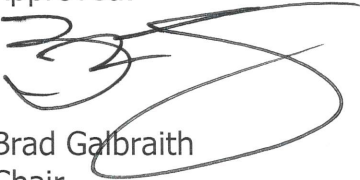
ADJOURNMENT: Mr. Lovin moved to adjourn the meeting at 11:06 a.m. Mr. Kennedy seconded the motion and it carried unanimously.

Respectfully submitted,

Ellen Heywood

Ellen Heywood
Clerk to the Board

Approved:

A handwritten signature in black ink, appearing to be 'Brad Galbraith', written over a large, loopy circular flourish.

Brad Galbraith
Chair